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March 9, 2010

The Honorable Sidney H. Stein  
United States District Court  
Southern District of New York  
Daniel Patrick Moynihan  
United States Courthouse  
500 Pearl Street, Room 1010  
New York, NY 10007-1312

Re: *In re OxyContin Antitrust Litigation*, No. 04-MDL-1603 (SHS)

Dear Judge Stein:

On behalf of Purdue, we are writing to apprise the Court of recent developments related to the settlement of the antitrust actions pending before the Court in the above docket.

Purdue is in the process of settling all of the indirect purchaser actions pending in this docket. The settlements are being reached with the named plaintiffs in each of the 56 pending indirect purchaser actions, with the result that in each such matter we anticipate filing a joint stipulation of dismissal pursuant to Fed. R. Civ. P. 41(a). A number of these stipulations have already been filed with the Court, and we expect that the balance of these indirect purchaser actions will be settled and dismissed pursuant to joint stipulation within the next few months.

As for the direct purchaser actions pending in this docket, we anticipate that the parties will soon file with the Court a motion for certification of the direct purchaser class for purposes of settlement, and a motion for preliminary approval of a class-wide settlement.

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Finally, Purdue anticipates a settlement with a group of direct purchasers who had filed separate lawsuits on their own behalf rather than suing on behalf of a direct purchaser class. The discussions are at an advanced stage.

We are pleased to be able to report to the Court that these matters appear to be on track for resolution via settlement.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Timothy C. Hester". The signature is fluid and cursive, with the first name "Timothy" and last name "Hester" clearly distinguishable.

Timothy C. Hester  
*Counsel for Purdue Defendants*

cc: Service List